

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
(DEPARTMENT OF COMMERCE)

LOK SABHA
UNSTARRED QUESTION NO. 2749
TO BE ANSWERED ON 10th JULY, 2019

TRADE WAR BETWEEN US AND CHINA

2749. SHRI RAM MOHAN NAIDU KINJARAPU:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

- (a) whether the impact of trade war between the United States and China would have a spillover effect on India; and
- (b) if so, the degree of adverse impact on Indian economy in the light of such trade war?

ANSWER

वाणिज्य एवं उद्योग मंत्री (श्री पीयूष गोयल)
THE MINISTER OF COMMERCE AND INDUSTRY
(SHRI PIYUSH GOYAL)

(a) & (b): The impact of trade war between United States and China may have a spill over effects on other countries including India. The imposition of tariffs between the US and China could provide a window of opportunity, in the short run for enhancing India's exports to China and the US, on products in which India is relatively price competitive, and can generate exportable surpluses quickly.

The trade standoff may also affect the investment decisions of the investing companies, as the companies would try to relocate / diversify manufacturing capacities to other countries.

The exact degree of impact of US-China trade war on the Indian economy may not be discernible at this point of time.
